

ALL INDIA INSURANCE EMPLOYEES' ASSOCIATION
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Cir.No.03 / 2015

16th February, 2015

To all the Zonal/Divisional/State/Regional Units

Dear Comrades,

NO FRESH OFFERS ON WAGE REVISION
LIC INSISTS DISCUSSIONS ON MANAGEMENT ISSUES
TWO HOUR STRIKE PRECEDING LUNCH ON 23RD FEBRUARY 2015

The discussions convened by LIC on 12th February were held as scheduled in the Central Office, Mumbai. The LIC was represented by Shri M.R.Kumar, Executive Director (P), Shri T.R.Mendiratta, Chief (P) and other officials from Personnel and IT departments. Coms. Amanulla Khan, President, K.Venu Gopal, Vice-President, V.Ramesh, General Secretary and H.I.Bhat, Joint Secretary represented the AIIEA.

Initiating the discussions, the ED (P) informed AIIEA that this meeting is called to discuss the issues of Transfer and Mobility Policy, Bio-metrics and other agenda of the management. He said that LIC has no fresh offers to make on the wage revision and the offer stands at 12.5 percent. The AIIEA expressed deep disappointment over this attitude and made it clear that the priority for the organization now is wage revision. We pointed out that considerable delay has already taken place since the wage revision fell due on 1.8.2012 and further delay is making the employees restive. We reiterated our arguments that the wage in LIC must be determined on the basis of the strength of the institution and its paying capacity. Pointing out to the enormous increase in the productivity of the employees and their contribution to the progress and prosperity of the institution, AIIEA said that it is unjust to delay settlement on their legitimate demand for a satisfactory wage rise. We also pointed out that the demand for pension option is the residuary issue of the last wage settlement and despite the passage of over five years, we see very little progress on this issue. The AIIEA said that LIC must come out with offers that can lay the basis for negotiations for an early wage revision and make determined efforts with the government on the issue of pension option. We made it clear that the discussions with the AIIEA must remain focused on these two issues and linking the wage revision to management issues should be given up.

The AIIEA made it abundantly clear that it is committed to defend the interests of the institution, its clientele and the employees. It was this commitment and struggles that halted the move to hike the FDI in the sector for 10 years and gave enough time for LIC to consolidate. Therefore, AIIEA will not shy away from discussing issues that can bring increased benefits to LIC without compromising the interests of the employees. The AIIEA said that the issues of the management have to be delinked from wage talks and these issues can be discussed separately after the conclusion of the wage revision.

When asked to express at least its opinion on some of these issues, the AIIEA said that it requires a number of clarifications and detailed discussions before reacting to the Bio-metric authentication. We said that the argument that passwords are weak and can be easily cracked is not fully true. The LIC is already insisting on strong passwords and frequent changes making the cracking of these passwords difficult. We wanted to know the cost and benefit analysis of the proposed system. We also wanted to know the legal sanctity of the

system when such systems are being legally challenged across the globe. We also pointed out to the Supreme Court of India's observation on Adhar based identity. We made it clear that the system is not foolproof as it is being made out to be; there could be compromises in the process of authentication, transfer of digitally captured data and hardware related issues. The ED (P) said that they have noted all our concerns and will hold discussions with AIIEA sometime later on this issue.

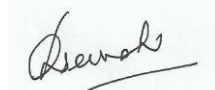
The AIIEA also made it clear that the entire framing of the Transfer and Mobility Policy is on the assumption that there is no movement of the class III and IV employees from entry to exit. We made it clear that this understanding is factually wrong as movements take place on appointment, transfers and postings on promotion. We gave concrete examples of employees from across the country where between appointment as an Assistant and promotion as AAO, on an average there are around 8 movements. Therefore, we said that TMP is totally unnecessary and giving a vigilance angle to push this policy is to doubt the honesty and integrity of the employees. We also pointed out to the discussions the Parliament had on LIC Act (Amendment) Bill 2010 when every single participant in the debate complimented the LIC as a corruption free institution. We said such a policy will not serve the corporation and giving a vigilance angle to justify the proposed policy would work as a demotivating factor. We, therefore, rejected the proposal.

The AIIEA also strongly protested against the manner in which circulars and communications are issued from the Central Office. Some of these circulars speak of restricting the trade union activities and other exhort the employees to join the campaign of the government to give up subsidy on gas. We disputed the assumption that subsidy is charity and said it is unnecessary for LIC to propagate the political slogans when massive amounts are written off as taxes foregone benefiting the big industrial houses. We also said if LIC considers the employees as important stakeholders then decisions have to be taken on important issues after due process of consultations rather than giving information after taking decisions.

The Secretariat of AIIEA had analysed the situation on wage and other issues in elaborate detail in its meeting at Ahmedabad on 4th and 5th February 2015. It came to the conclusion that the LIC employees are left with no alternative but to intensify the agitation to secure their legitimate demand. **The Secretariat had decided on a Two Hour Strike action to lodge our strong protest against the attitude of LIC and the government towards our legitimate demands.** The discussions on 12th February with LIC proved the understanding of the AIIEA absolutely correct. **The AIIEA, therefore, has decided to call upon all employees to observe a two hour strike preceding lunch recess on 23rd February 2015, the opening day of the budget session of parliament.** This strike has to be massive to force the LIC and the government to give up their anti-employee attitude and come forward to hold meaningful negotiations to settle the legitimate aspirations of employees on wage revision. This two hour walk-out strike should reflect the employees' aspirations and their feeling. We, therefore, request all the employees to enthusiastically join this call and make the strike total.

With greetings,

Comradely yours,



General Secretary.